UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

FINJAN, INC.,

          Plaintiff,

    v.

ZSCALER, INC.,

          Defendant.

Case No. 17-cv-06946-JST (KAW)

ORDER REGARDING JOINT DISCOVERY LETTER

Re: Dkt. No. 119

      Plaintiff Finjan, Inc. filed the instant suit against Defendant Zscaler, Inc., alleging patent infringement. (Compl., Dkt. No. 1.) On March 21, 2019, the parties filed a discovery letter concerning Plaintiff's Requests for Production of Documents ("RFPs"). (Discovery Letter, Dkt. No. 119.) Having reviewed the letter and the relevant legal authorities, the Court GRANTS IN PART and DENIES IN PART the relief sought.

I. BACKGROUND

      Plaintiff owns patents related to security technologies that detect malware. (Compl. ¶ 7.) Defendant creates products and services using Defendant's Internet Access Bundles, Private Access Bundle, Zscaler Enforcement Node ("ZEN"), Secure Web Gateway, Cloud Firewall, Cloud Sandbox, and Cloud Architecture products, services, and technologies. (Compl. ¶ 26.) Plaintiff alleges that Defendant's products and services infringe upon its patents. For example, Plaintiff accuses Defendant's ZEN technology of infringing its '780 patent, which concerns, in part, the performance of a hashing function on a downloadable and the fetched software components to generate a downloadable ID. (Compl. ¶¶ 41-43.) Plaintiff also accuses Defendant's Cloud Sandbox technology of infringing its '633 patent, which involves determining if downloadable information includes executable code and transmitting that code to an information destination for

1   processing within a "sandbox." (Compl. ¶ 58.)

2   On January 15, 2019, Plaintiff served RFP Nos. 88-111, which seek discovery responses,

3   deposition transcripts, infringement contentions, motions and briefing, expert reports and

4   declarations, and hearing or trial transcripts from other patent litigations regarding Defendant's

5   accused products. (Discovery Letter at 1.) These other patent litigations include, for example,

6   pending litigation with Symantec in which Symantec accuses Defendant's ZEN technology of

7   infringing patents that perform hashing functions on incoming malware, and Defendant's Cloud

8   Sandbox technology of infringing patents that execute suspicious files in a virtual environment to

9   record their operation. (*Id.* at 1-2.) Plaintiff does not identify any other patent litigations with

10   Defendant or patents at issue in those litigations.

11   Defendant has offered to produce infringement, invalidity, and damages contentions from

12   *Symantec v. Zscaler*, and has already agreed to produce its own discovery responses in the

13   *Symantec* litigation regarding the structure, function, or operation of the accused products.

14   (Discovery Letter at 5 nn.4-5.) Plaintiff still seeks all discovery responses, deposition transcripts,

15   infringement contentions, briefing or motions, expert reports or declarations, and hearing or trial

16   transcripts that relate to the products accused in the instant case from any of Defendant's prior or

17   co-pending patent litigation. (Discovery Letter at 3.)

18   **II.   LEGAL STANDARD**

19   The Federal Rules of Civil Procedure broadly interpret relevancy, such that each party has

20   the right to the discovery of "any nonprivileged matter that is relevant to any party's claim or

21   defense and proportional to the needs of the case[.]" Fed. R. Civ. P. 26(b)(1). Discovery need not

22   be admissible to be discoverable. *Id.* The court, however, "must limit the frequency or extent of

23   discovery otherwise allowed" if "(i) the discovery sought is unreasonably cumulative or

24   duplicative, or can be obtained from some other source that is more convenient, less burdensome,

25   or less expensive; (ii) the party seeking discovery has had ample opportunity to obtain the

26   information by discovery in the action; or (iii) the proposed discovery is outside the scope

27   permitted by Rule 26(b)(1)." Fed. R. Civ. P. 26(b)(2)(C). Furthermore, "[t]he court may, for good

28   cause, issue an order to protect a party or person from annoyance, embarrassment, oppression, or

2

1   undue burden or expense," including by precluding discovery, by conditioning disclosure or

2   discovery on specified terms, by preventing inquiry into certain matters, or by limiting the scope

3   of discovery to certain matters. Fed. R. Civ. P. 26(c)(1). "Rule 26(c) confers broad discretion on

4   the trial court to decide when a protective order is appropriate and what degree of protection is

5   required." *Seattle Times Co. v. Rhinehart*, 467 U.S. 20, 36 (1984).

III.   DISCUSSION

7   The parties' primary dispute is whether the documents sought by Plaintiff are relevant to

8   the claims in this case. Defendant argues that the Court should apply the technological nexus

9   standard to determine if documents from parties' other litigation should be produced. (Discovery

10   Letter at 4.)

11   The technological nexus standard was developed by Judge Grewal in *Apple Inc. v.*

12   *Samsung Electronics Communications Inc.*, based on his finding that "with regards to discovery of

13   documents from other litigation, the appropriate standard for determining the relevance of

14   documents from those other cases turn[s] on the similarity between the patents in the disputes."

15   *Apple Inc. v. Samsung Elecs. Co.*, Case No. 12-cv-630-LHK (PSG), 2013 WL 3246094, at *20

16   (N.D. Cal. June 26, 2013). Under this standard, "the other case must involve 'the patents-in-suit or

17   patents covering the same or similar technologies, features, or designs as the patents-in-suits." *Id.*

18   Thus, the "starting point of the 'technological nexus' inquiry is the patents at issue, not the products

19   at issue. And so, to ascertain the degree to which the technology overlaps, the necessary

20   comparison here is between the patents involved in this case and the patents in the earlier

21   disputes." *Id.* Judge Grewal, however, explained "that the technological nexus standard is not a

22   substitute for the relevance inquiry under Fed.R.Civ.P. 26(b) but rather is shorthand for the

23   balancing inquiry in which the court ordinarily must engage." *Id.* If the patents in the two cases

24   have "a high degree of similarity . . . the court is justified in presuming the documents produced in

25   litigation involving such similar patents falls within the broad scope of relevance under Rule

26   26(b)." *Id.* Judge Grewal cautioned, however, that a failure to meet the technological nexus

27   standard "does not preclude discovery from other litigation. The party seeking discovery instead

28   must show that each category of documents it seeks is relevant under the traditional Rule 26(b)

3

standard." *Id.*

The technological nexus standard does not apply in this case. As Plaintiff points out, the technological nexus standard is a shorthand test that, if met, allows the court to presume that all documents produced in the other litigation are relevant under Rule 26(b). (*See* Discovery Letter at 3.) Here, Plaintiff does not seek all documents from other litigation, but certain categories of documents. Thus, Plaintiff need not satisfy the technological nexus standard.

The Court, however, finds that Plaintiff has failed to show that all of the documents it seeks are relevant. Significantly, Plaintiff does not show that every other litigation involving Defendant's accused products has any relation to the instant dispute. While Plaintiff points to two other patent litigations between Symantec and Defendant that involve two patents with similar functionality to Plaintiff's patents, Plaintiff provides no information about other patents in the Symantec litigation, and does not identify any other litigation. (Discovery Letter at 1-2.) Instead, Plaintiff argues that the information it seeks is relevant because the litigation involve the same accused products. In support of its argument, Plaintiff points to the Court previously allowing Defendant to obtain similar documents from Plaintiff's other litigation involving the same patents as the instant case. (Discovery Letter at 2; *see also* Dkt. No. 114 (Feb. 25, 2019 Ord.).)

The Court disagrees. First, the focus of the parties' prior dispute and the Court's order was the parties' obligations under the stipulated protective order in producing third-party designated confidential information. (*See* Feb. 25, 2019 Ord. at 3-5.) Second, the information sought is not analogous. Defendant previously stated it needed information from Plaintiffs' other litigation because it needed to know how Plaintiff asserted its patents; thus, Plaintiff argues that "[b]y the same token, [Plaintiff] is entitled to know how a 3rd party asserts that [Defendant's] accused products work, because that information shows the functionality of those products." (Discovery Letter at 2.) How a *third party* views how Defendant's accused products work is not, however, comparable to how *Plaintiff* asserts its own patents. Plaintiff's prior statements regarding its patents is relevant to the case, whereas a third party's view of how Defendant's product may function has no apparent impact on either party's assertions. This is made clear by Plaintiff's own position, as Plaintiff states that it seeks the documents at issue "because they are [Defendant]'s

4

1 admissions from other patent lawsuits regarding the same products at issue in this case," including

2 "statements regarding the functionality of its accused products." (Discovery Letter at 1.) Plaintiff

3 fails to explain why a third party's views of the functionality of Defendant's products would affect

4 Defendant's prior admissions or be otherwise discoverable under Rule 26(b). This is particularly

5 the case if the patents at issue are not comparable to the patents in the instant case. A functionality

6 that infringes on one patent may be irrelevant to a functionality that infringes on a completely

7 different patent, even if both functionalities are performed by the same accused product.
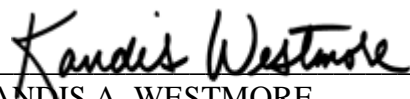
8 This is not to say that Plaintiff's RFPs must be denied in their entirety. Defendant has

9 already agreed to produce Defendant's discovery responses in the *Symantec* litigation regarding

10 the structure, function, or operation of the accused products, and stated that it is willing to produce

11 infringement, invalidity, and damages contentions as well. (Discovery Letter at 5 nn.4-5.) The

12 Court ORDERS Defendant to produce these documents. The Court also ORDERS Defendant

13 provide deposition transcripts, expert reports, or declarations from its own witnesses that relate to

14 the accused products' functionality, to the extent that functionality is related to patents that are

15 similar to the patents in the instant case (*i.e.*, the hashing functions and the execution of suspicious

16 files in a virtual environment). Such information is relevant to the case, as it involves similar

17 functionality and patents. Plaintiff has failed to show that the other categories of documents are

18 relevant to this case.

19 ### IV.   CONCLUSION

20 For the reasons stated above, the Court ORDERS Defendant to produce the documents

21 listed above.

22 IT IS SO ORDERED.

23 Dated: April 9, 2019

24 _____
     KANDIS A. WESTMORE
25 United States Magistrate Judge

26

27

28